



7 August 2017

## RSL NSW DIRECTIVE – SUSPENSION OF CHARITABLE FUNDRAISING

You will be aware of an inquiry being conducted by The Hon. Patricia Bergin SC into RSL NSW (Bergin Inquiry), and also of an investigation currently being conducted into RSL NSW by the Australia Charities and not-for-profits Commission (ACNC).

Since it was elected on May 24th, the new State Council of RSL NSW has been reviewing the operations of the League. We have been particularly conscious of the need to review our operations with regard to the raising of funds from the public given our ongoing engagement with the Bergin Inquiry and ACNC investigation.

We have become aware that a number of the technical procedures currently followed by RSL NSW, through its sub-branches and auxiliaries, do not comply with the requirements and obligations of the Charitable Fundraising Act 1991 (NSW). RSL NSW is treating this matter very seriously. It is vital that RSL NSW, and its sub-branches and auxiliaries, do everything possible to ensure that any non-compliance with these legal obligations cease immediately.

To this end, at a meeting on Monday 31 July 2017, the RSL NSW State Council passed a resolution on this issue and now directs that:

- **until further notice all sub-branches and auxiliaries are to immediately cease, without exception, any fundraising activities and appeals being conducted now, or that might soon be conducted**

The State Council also resolved to communicate the steps being taken by RSL NSW to rectify the issues identified, to the Bergin Inquiry, ACNC, and other relevant bodies.

The State Council understands that fundraising is critical to allowing sub-branches and auxiliaries to provide welfare services and we are working on a strategy to rectify this situation urgently, with a view to recommencing fundraising in a fully compliant way. We are conscious that preparations for the November Poppy Appeal would normally begin in the coming months. We are conscious of the need to make resources available to assist sub-branches and auxiliaries in understanding the legal requirements imposed by the Act and ensuring compliance. We are also conscious of the great public interest in our operations, and indeed our great responsibility to be accountable for the public money we are entrusted with.

RSL NSW understands the significant impact that this directive will have on each of its sub-branches, auxiliaries, and individual members. However, RSL NSW is committed and, indeed, compelled to exercise the power and authority vested in it under the RSL NSW Constitution to ensure our League is fully complying with all legal obligations.

We appreciate you will have questions on this issue. Attached is a FAQ sheet which will hopefully address them. Thank you for your ongoing work on behalf of the League, and for working hard to resolve this issue.

**James Brown**  
President



## **RSL NSW CHARITABLE FUNDRAISING SUSPENSION**

### **Frequently Asked Questions**

**Can our sub-branch/auxiliary still conduct raffles, BBQs, cake stalls, guessing competitions, chocolate sales, or bucket collections at events, etc.?**

No.

All sub-branches and subsidiaries including Women's Auxiliaries and Youth Clubs are directed to cease all such activities until RSL NSW is in a position to fundraise in a fully compliant way. There is one exception to this rule, and that is if the only people from who funds are being raised are RSL NSW sub-branch/auxiliary members. For example:

*A Women's Auxiliary plans to hosts a lunch for members and at that event it plans to put out a trading table where items will be made available for purchase. There is no problem with selling these items to members of RSL NSW, and raising funds from RSL NSW members, however until further notice no funds can be accepted from members of the public.*

**Can sub-branches and auxiliaries still receive grants from local government, state government, the Department of Veterans Affairs, or under the ClubGRANTS scheme?**

Yes.

Grants from state and local government authorities are generally received through a rigorous process with its own reporting requirements and timelines. At this stage, RSL NSW is aware of no reason why sub-branches cannot continue to receive grants from local government, state government, the Department of Veterans Affairs, or grants through the ClubGRANTS scheme given for community development and support. Please note though that in response to current RSL reputational issues DVA is implementing stricter conditions on grants issued to RSL sub-branches/auxiliaries.

**My sub-branch has its own Charitable Fundraising Number, can we continue to fundraise?**

No.

Even if your sub-branch has its own CFN you must suspend all fundraising in accordance with this notice.

**Does this mean sub-branches need to stop donating?**

No.

Under the terms of the 2012 agreement with the Australian Tax Office, RSL NSW sub-branches are required to donate as per the guidelines set out in By-Law 22. There should be little impact on the approved 2017 donations plan for most sub-branches. If you require assistance with your donations plan, please contact ANZAC House.





**Can members still donate to sub-branches if they wish?**

Yes.

Donations made to a sub-branch, provided they are strictly donations made by a member to the sub-branch or RSL organisation of which he/she is a member, are not 'fundraising appeals' within the Act.

**How long will fundraising be suspended?**

RSL NSW recognises the vital contribution fundraising makes toward the activities of sub-branches and is committed to identifying and fixing the compliance issues as soon as possible so that fundraising can recommence. If this suspension of fundraising will cause significant short term issues for your welfare activities, please speak with your District Council. Failing that contact State Branch on the number/email below.

**Is this suspension being directed by the Bergin Inquiry, Australian Not for Profit and Charities Commission, or the NSW Police?**

No.

This suspension comes as a result of internal reviews conducted by the new RSL State Council. The State Council resolved to take quick and decisive action to prevent any further technical non-compliance, and to continue to ensure the integrity of public monies handled by RSL NSW.

**Is this suspension because of fraud, or misuse of charitable funds?**

No. This suspension is happening because RSL NSW has determined its technical fundraising procedures are not compliant with the required standards.

**Does this suspension apply to registered RSL and Services Clubs?**

No. Though we work closely with RSL and Services Clubs, they are not part of RSL NSW

**How do I get more information?**

RSL NSW has 634 subsidiaries, the majority of whom conduct regular charitable fundraising. As you can appreciate it will be difficult to answer queries from them all in the short term. Please refrain from contacting individual State Branch staff members and instead direct all queries regarding this suspension to your District Council President or State Councillor in the first instance.

RSL NSW has also established a dedicated support line at ANZAC House for queries on this fundraising suspension (0414 559 849 during business hours or by email to [fundraising-enquiry@rslnsw.org.au](mailto:fundraising-enquiry@rslnsw.org.au)).